



07 MAY 30 12:57

STATE PROCUREMENT OFFICE NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

- 1. TO: Chief Procurement Officer
- 2. FROM: Natural Energy Laboratory of Hawaii Authority

Department/Division/Agency
 Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:
 NELHA is required by mandate to conduct, without interruption, benthic biota surveys in its coastal and anchialine areas as part of its required environmental monitoring program. Contracts have been awarded to do this work on a yearly basis and in the past several years, contracts that were awarded to do this work were less than \$20,000.

4. Name of Vendor: Marine Research Consultants Inc. Address: 1039 Maakaua Place Honolulu, HI 96822	5. Price: \$27,071.00
6. Term of Contract: From: Upon CPO app To: 1 year from NTP	7. Prior Exemption Ref. No. N/A

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:
 Since past contracts were less than \$20,000, a small purchase competitive procurement process was carried out in the form of a Request for Quotation and Proposal (RFQP), as described in section 9 of this form. As a result of the most recent solicitation, only one bid was received and this bid came in at \$27,071. Departmental procedures require that anything above \$25,000 be procured under an RFP. Although procurement was originally started with sufficient time for a small purchase, circumstances are now such that there is not enough time to do an RFP in order to use FY07 funds for this project. It is therefore not practicable or advantageous for the State to issue an RFP. Open competition was achieved through the RFQP process. Issuing an RFP is unlikely to yield more or different offers yet will take time, causing interruption in the monitoring program. An exemption is therefore requested.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
 In March 2007, RFQP-07-10-NELHA was made public to solicit bids. There was no response although one potential offeror claimed he made a mistake on the deadline and wished to submit a bid. A second RFQP-07-14-NELHA was made public with bids due by May 10. Two "no bids" were received along with one offer by Marine Research Consultants Inc. at \$27,071.00. This company has performed the biota Monitoring work for NELHA in the past, although not in the past two years. The company currently performing the work for NELHA has declined to bid. Attached are the RFQP, SPO Form 10, and Marine Research Consultants offer.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
 Open competition was achieved through the RFQP process. It is unlikely that an RFP process will yield additional offers yet it will cause an interruption in the mandated monitoring program. Controls and approval requirements for this procurement will be the same as those required for any procurement taking place through an RFQP. A Contract for Goods and Services will be put in place and a memo to the Governor requesting approval will be submitted as for all contracts greater than \$25,000.

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Keith Olson	NELHA Lab Manager	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Jan War	NELHA Operations Manager	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Laurence Sombardier	NELHA Revenue Specialist	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Eileen Harada	DBEDT Contracts Specialist	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Ron Baird	NELHA CEO	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
Ted Liu	DBEDT Director	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: NELHA Contact Name: Laurence Sombardier Phone Number: 808-329-7341 X244 Fax Number: 808-326-3262
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*


 Department Head

5/29/07
 Date

Reserved for SPO Use Only	
	15. Date Notice Posted <u>6/1/07</u>
The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to: <p align="center"> Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119 </p>	
Chief Procurement Officer's comments: <p>Upon review of your request, the loss of funds is not justification for an exemption. However, we understand the need for the continuation of the surveys, without interruption of the environmental monitoring program and the efforts made to comply with the competitive procurement process in soliciting quotes and therefore have approved this request.</p> <p>It is recommended that purchasing personnel obtain procurement training for the HePS (electronic) to utilize small purchase procurements up to \$50,000.</p>	

16. APPROVED DISAPPROVED NO ACTION REQUIRED


 Chief Procurement Officer Date 6/8/07